

CANNON BUILDING 861 SILVER LAKE BLVD., SUITE 203 DOVER, DELAWARE 19904-2467

STATE OF DELAWARE REAL ESTATE COMMISSION

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PUBLIC MEETING MINUTES: REAL ESTATE COMMISSION

MEETING DATE AND TIME: Thursday, January 15, 2015 at 9:00 a.m.

PLACE: 861 Silver Lake Boulevard, Dover, Delaware

Conference Room A, Second Floor of the Cannon Building

MINUTES FOR APPROVAL February 12, 2015

MEMBERS PRESENT

Andrew Staton, Professional Member, Chairman Justin Healy, Professional Member, Vice Chairman Jason Giles, Professional Member, Secretary Lynn Rogers, Public Member Curtis Rogers, Public Member Joseph F. McCann, Public Member Lynne Newlin, Public Member

DIVISION STAFF/ DEPUTY ATTORNEY GENERAL

David Mangler, Director of Professional Regulation Gayle MacAfee, Deputy Director of Professional Regulation Eileen Kelly, Deputy Attorney General Sandra Wagner, Administrative Specialist III Jessica Williams, Administrative Specialist II

MEMBERS ABSENT

Michael Harrington, Sr., Professional Member

ALSO PRESENT

Donna Klimowicz, Real Estate Education Committee
Angela Emerson, SCAOR
Denise Tatman, DAR
Elio Battista, Jr., PGS
Judy Dean, SCAOR
Fred Dean, SCAOR
Maria Evans, DAR
Bill Lucks, DAR
Rob Harman, DAR
Bob Wheatley, DAR
Todd Stonesifer, KCAR
Bob Lane, KCAR
Bridget Lane, KCAR
Sandi Unkrur, KCAR

Michael Dunning, NCCBOR
Glenn Watson Jr., DAA
David Villabona, DAA
Herb Kenton, Jr., DAA
Michele Twilley, DAA
Sam Walters, DAA
Al Jewell, DAA
Chris Whitfield
Andrew Taylor, Cooch and Taylor for DAR
Joe Fitzgerald, DAA
Maria Evans, DAR

CALL TO ORDER

Mr. Staton called the meeting to order at 9:04 a.m.

REVIEW OF MINUTES

Mr. McCann made a motion, seconded by Mr. L. Rogers, to approve the minutes of the meeting held on December 11, 2014. By unanimous vote, the motion carried.

NEW BUSINESS

Rule and Regulation Hearing – 9:00 a.m.

Minutes for the hearing are at the bottom of the page.

The Commission took a break from 10:10 a.m. to 10:25 a.m.

Rule to Show Cause Hearing - Candace Cottrell - 10:00 a.m.

Minutes for the hearing are at the bottom of the page.

Education Committee Report

Ms. Klimowicz went through the Education Committee minutes with the Commission. Ms. Klimowicz stated that this was her last meeting as Chairperson for the Education Committee. Ms. Klimowicz stated that the Education Committee was still reviewing audits as they come in. Ms. Klimowicz stated that the Commission should have the letter that the Education Committee drafted for knowledge based learning for the Commission's review and approval. The Education Committee approved 14 courses, 7 instructor applications were approved, and 1 was approved with a modification. Ms. Klimowicz stated the elections were held and that Mr. Tim Riale would be the new chairperson for the Education Committee and vice chairperson elected was Mr. Tom Burns. The Education Committee had a discussion about online courses because after reviewing the audits it seems that education is digressing and people are taking courses the very last day before renewal has to be done. It appears that people are completing all modules online within a 2 day period and if they were truly taking the 3 hour course they would never be able to take 7 modules in 2 days. The Education Committee wanted to know if there was a way to restrict the amount of online hours for continuing education, maybe as in picking a course that was stipulated cannot be taken online, such as documentation.

Recommendation to Approve and Deny Course Providers, Instructor Applications and Student Requests as Noted

Ms. Newlin made a motion, seconded by Mr. McCann, to approve the education approvals submitted by the Education Committee and the letter to be sent out by the Education Committee for the knowledge based learning. By unanimous vote, the motion carried.

Applications for Licensure

Ratification of Salesperson Applications

Mr. McCann made a motion, seconded by Mr. Healy, to ratify the following applications for salespersons:

Frank Walton, Coldwell Banker Resort Realty, Rehoboth Beach, DE Rhonda Reams, Keller Williams Realty Central, Dover, DE Josephina Duckery, ERA Harrington Realty, Inc., Dover, DE Michelle Anderson, Long & Foster Real Estate, Bear, DE Ingrid Yerger, Long & Foster Real Estate, Greenville, DE Jeffrey Hoban, Patterson Schwartz, Greenville, DE Bernadette Livingston, Long & Foster Real Estate, Bethany Beach, DE James Peterson, Applebaum Realty, Wilmington, DE Lisa Betty, Patterson Schwartz & Associates, Hockessin, DE Andrew Engel, Patterson Schwartz & Associates, Hockessin, DE Melinda Jackson, Patterson Schwartz & Associates, Hockessin, DE Nancy Fleming, Whitehall Realty, LLC, Wilmington, DE Adam Johnson, BHHS Fox & Roach, Newark, DE Roy Davis, Long & Foster Real Estate, Inc., Bethany Beach, DE John Powell, Patterson Schwartz, Hockessin, DE Diane Hutchinson, Long & Foster Real Estate, Bethany Beach, DE Catherine Bouloucon, Resort Quest, Selbyville, DE Paige Whalen, Patterson Schwartz Real Estate, Hockessin, DE Susan Mathews, Long & Foster Real Estate, Greenville, DE Shantai Phillips, First Class Properties of DE, LLC, Dover, DE Christopher Poppiti, Meyer and Meyer Realty, Wilmington, DE John Sclesky, R & R Commercial Realty, Dover, DE Anthony McGuire, Emory Hill Residential, New Castle, DE Paul Mann, Patterson Schwartz & Associates, Wilmington, DE Craig Nelson, Century 21 Gold Key Realty, Newark, DE Robert Frelick, Long & Foster, Greenville, DE Guiseppe Saggese, Patterson Schwartz, Greenville, DE Craig Ross, Weichert Realtors, Wilmington, DE Wayne Mueller, Keller Williams Realty at the Beach, Rehoboth Beach, DE Justin DiNorscia, Keller Williams Realty at the Beach, Rehoboth Beach, DE Jeffrey Gannett, Virtus Realty Advisors of Delaware, LLC, Wilmington, DE Elizabeth Polizzotto, CBRE Inc. d/b/a CBRE Fameco, Philadelphia, PA DeMarcus Rush, NextRE, Dover, DE Taylor Rutkoske, BHHS Gallo Realty, Rehoboth Beach, DE Juan Lopez, Patterson Schwartz & Associates, Wilmington, DE Jacob Kee, Jack Lingo, Inc., Rehoboth Beach, DE Christine Arndt, Long & Foster Real Estate, Bethany Beach, DE Afiya Watkins, BHHS Fox & Roach Realtors, Bear, DE Jodie Stocksdale, Patterson Schwartz & Associates, Newark, DE Katherine McCarthy, Harrington ERA Realty, Dover, DE Daniel McCarthy, Harrington ERA Realty, Dover, DE

By unanimous vote, the motion carried.

Review of Broker and Associate Broker Applications

The Commission reviewed the associate broker's application of Denise Ross. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Ms. Ross' application. By unanimous vote, the motion carried.

The Commission reviewed the associate broker's application of Matthew Gehrke. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Mr. Gehrke's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of James Olson. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Mr. Olson's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of Evette Morrow. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Ms. Morrow's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of Robert Scott. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Mr. Scott's application. By unanimous vote, the motion carried.

The Commission reviewed the broker's application of James Kimbleton. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Mr. Kimbleton's application. By unanimous vote, the motion carried.

The Commission reviewed the associate broker's application of Nwakaego Enwerem. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Ms. Enwerem's application. By unanimous vote, the motion carried

The Commission reviewed the broker's application of John Welcome. Mr. McCann made a motion, seconded by Ms. Newlin, to approve Mr. Welcome's application. By unanimous vote, the motion carried

Review of Applications for Reinstatement

There were no applications for reinstatement.

Review of Applications for New Office

The Commission reviewed the application of Delaware Homes, Inc., for a new branch office. Mr. McCann made a motion, seconded by Mr. C. Rogers, to approve the new branch office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Dovoco Realty, LLC for a new office. Mr. McCann made a motion, seconded by Mr. C. Rogers, to approve the new office application. By unanimous vote, the motion carried.

The Commission reviewed the application of Exit Central Realty, for a relocation of office. Mr. McCann made a motion, seconded by Mr. C. Rogers, to approve the relocation of office application. By unanimous vote, the motion carried.

The Commission reviewed the application of We Win Together, LLC, for a relocation of office. Mr. McCann made a motion, seconded by Mr. C. Rogers, to approve the relocation of office application. By unanimous vote, the motion carried.

Review and Discussion: Consent agreement for Duvall Watson, Sr.

The Commission reviewed the consent agreement for Mr. Duvall Watson, Sr. After discussion, Mr. McCann made a motion, seconded by L. Rogers, to accept the consent agreement for Mr. Watson. By unanimous vote, the motion carried.

Status of Complaints

Complaint # 02-48-14 - closed by Investigator

Complaint # 02-19-13 – closed by Investigator

Complaint # 02-02-14 - forwarded to the Attorney General's Office

Complaint # 02-03-14 – forwarded to the Attorney General's Office

Complaint # 02-05-14 – forwarded to the Attorney General's Office

Complaint # 02-14-14 - closed by Investigator

Complaint # 02-54-14 – forwarded to the Attorney General's Office

Complaint # 02-01-14 – closed by Investigator

Correspondence

Letter from Andy Taylor – Reference to Mr. John Kelly

Mr. Taylor, Esq. addressed the Commission and stated that he was representing Mr. Kelly. Mr. Kelly is a 67 year old man that obtained a Delaware Broker's license in 1985 and has never had any transactions in DE. Mr. Kelly has always maintained the appropriate continuing education until the 2012-2014 audit period when Mr. Kelly had decided to let his license in DE go into a lapsed/must reinstate status. Mr. Kelly's office received his expired license notice from the Division and went online and renewed Mr. Kelly's license. This in turn caused Mr. Kelly to be audited and that is when Mr. Kelly found out what his office had done. Mr. Kelly would like to have his license go back into reinstate status and he does not plan on doing any business in DE. Mr. Taylor stated that Mr. Kelly is not asking for a refund of the money that was paid to renew his license. Mr. Kelly no longer wishes to have a DE Broker's license. Mr. Giles made a motion, seconded by Mr. Healy, to allow Mr. Kelly's license to be put back into a lapsed/must reinstate status and that the system be flagged as such in the case that Mr. Kelly applies for a license at another time. By unanimous vote, the motion carried.

OLD BUSINESS

Re-review Broker Application for Arlene Richardson

Mr. McCann made a motion, seconded by Ms. Newlin, to approve the broker's application for Ms. Richardson. By unanimous vote, the motion carried.

Re-review Broker Application for Andrea Schoenwalder

Mr. McCann made a motion, seconded by Ms. Newlin, to approve the broker's application for Ms. Schoenwalder. By unanimous vote, the motion carried.

Review and Signing of Hearing Officer Orders

Mr. Staton signed orders for:

Rory Burkhart Albert Leskovar Candice Pressley

OTHER BUSINESS BEFORE THE COMMISSION (for discussion only)

Mr. Staton wanted to remind the sub-committee members that there will be a sub-committee meeting after the regular meeting in February.

Mr. Staton made a motion, seconded by L. Rogers, to add Mr. Jason Giles to the sub-committee. By unanimous vote, the motion carried.

PUBLIC COMMENT

Ms. Tatman stated that she is glad that the Commission approved the applications for Ms. Richardson and Ms. Schoenwalder because now if their online companies have an issue the Commission now has a mechanism in place and a way to hold someone responsible.

NEXT SCHEDULED MEETING

The next meeting will be held on Thursday, February 12, 2015 at 9:00 a.m.

ADJOURNMENT

Mr. McCann made a motion, seconded by Mr. L. Rogers, to adjourn the meeting. By unanimous vote, the motion carried. The meeting adjourned at 11:11 a.m.

Respectfully submitted,

Sandra Wagner

Sandra Wagner

Administrative Specialist III

The notes of this meeting are not intended to be a verbatim record of the topics that were presented or discussed. They are for the use of the Board members and the public in supplementing their personal notes and recall for presentations.

HEARING MINUTES

HEARING – REAL ESTATE COMMISSION REVISION OF REAL ESTATE COMMISSION RULES AND REGULATIONS

The Delaware Real Estate Commission held a hearing on January 15, 2015 at 9:00 a.m. in the Second Floor Conference Room A, Cannon Building, 861 Silver Lake Blvd., Suite 203, Dover, Delaware.

PRESENT: Justin Healy, Jason Giles, Joe McCann, Lynn Rogers, Lynne Newlin, Curtis Rogers

<u>PURPOSE</u>: The Commission has proposed a new Rule 1.4.1 and revisions to Rule 8.0 which are designed to implement and clarify the auctioneer exemption set forth in 24 Del. C. § 2901(e)(4). A new Rule 8.5.5.6 is added to provide advertising requirements for on-site unlicensed salespeople. Finally, Rule 13.0 is amended to clarify the continuing education pro-ration requirements.

PRESIDING: Andy Staton, Chairperson

BOARD STAFF: Sandra Wagner, Administrative Specialist III

DEPUTY ATTORNEY GENERAL FOR THE BOARD: Eileen Kelly, DAG

COURT REPORTER PRESENT: Lorena Hartnett, Wilcox and Fetzer

TIME STARTED: 9:06 a.m.

The court reporter took verbatim testimony. Ms. Kelly confirmed with Ms. Wagner that there was written public comment that was received by the Commission office on December 31, 2014. The Commission members introduced themselves for the record. There was public present for comment. Ms. Kelly summarized the proposed revisions. Ms. Kelly entered documents as Board Exhibit 1 News Journal notification, Board Exhibit 2 Delaware State News notification and Board Exhibit 3, a letter submitted on December 31, 2014 from Elio Battista, Jr. The following individuals offered public comment on the proposed revisions: Elio Battista, Rob Harman, Glenn Watson Jr., David Villabona, Chris Whitfield, Andrew Taylor, Joe Fitzgerald, and Maria Evans. Ms. Kelly said the proposed changes were published in the Delaware Register of Regulations on December 1, 2014 and the comment period has been open since then. Ms. Kelly said the written comment period would remain open for an additional 15 days. The Board will deliberate on the proposed changes at its next regularly scheduled meeting on February 12, 2015. The hearing concluded at 10:10 a.m.

HEARING MINUTES

HEARING - RULE TO SHOW CAUSE FOR CANDACE COTTRELL

The Delaware Real Estate Commission held a hearing on January 15, 2015 at 9:00 a.m. in the Second Floor Conference Room A, Cannon Building, 861 Silver Lake Blvd., Suite 203, Dover, Delaware.

PRESENT: Justin Healy, Jason Giles, Joe McCann, Lynn Rogers, Lynne Newlin, Curtis Rogers

PURPOSE: Rule to Show Cause

PRESIDING: Andy Staton, Chairperson

BOARD STAFF: Sandra Wagner, Administrative Specialist III

DEPUTY ATTORNEY GENERAL FOR THE BOARD: Eileen Kelly, DAG

TIME STARTED: 10:25 a.m.

The hearing was recorded for verbatim testimony. Ms. Kelly confirmed with Ms. Wagner that Ms. Cottrell was not present for the hearing. Ms. Kelly summarized the reason for the rule to show cause hearing. Ms. Kelly entered documents as Commission Exhibit 1 the Final Order with attached recommendation, green card signed by Ms. Cottrell that she received the final order, Commission Exhibit 2 the report from RBH of non-compliance, and Commission Exhibit 3 the hearing notice of today's hearing and the signed green card by Ms. Cottrell. The Commission members introduced themselves for the record. The Board deliberated on the rule to show cause hearing. Mr. Giles made a motion, seconded by Mr. Healy, to revoke the license for Ms. Candace Cottrell. By unanimous vote, the motion carried. The hearing concluded at 10:45 a.m.